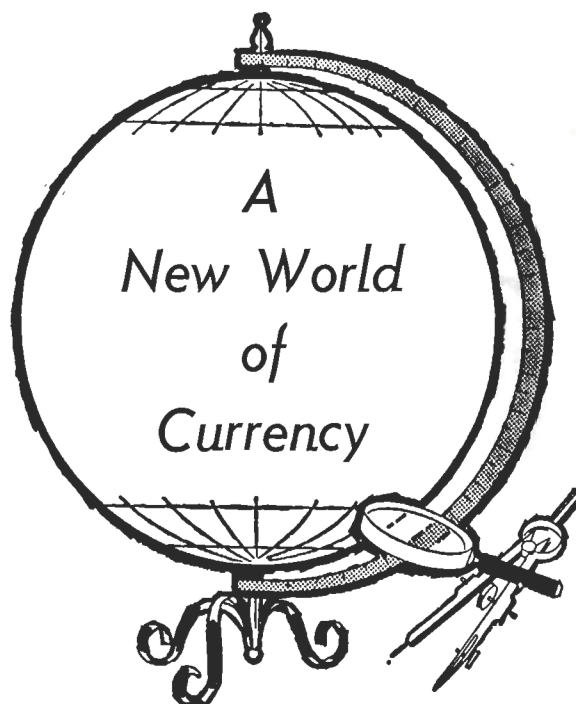


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# Paper Money

DEVOTED TO THE STUDY OF CURRENCY



WINTER 1963

FALL 1963

Vol 2 No 4

OFFICIAL PUBLICATION

OF

*Society of Paper Money Collectors*

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## MESSAGE FROM THE PRESIDENT

As we close the year of 1963, we can see an increased interest in the collection of currency of all types. During the year, several books were published on various types of currency, and soon to be released is a new Fifth Edition of Paper Money of the United States and a book on Fractional Currency. These are all welcome additions and it shows the increased interest over the last few years.

Our organization is young but growing. For any organization to grow requires some work from many members. Every effort is being made to up-grade our quarterly magazine. Since we have, among our membership, collectors of all types of currency, we beg of you to take a little time and write a short article, if nothing more, on your collection for one of the issues during 1964. This is your Society—can we count on **you**?

Before I close, I want to wish each member a very **MERRY CHRISTMAS** and happy hunting for 1964.

THOMAS C. BAIN  
President  
SOPMC

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# Paper Money

VOLUME 2

FALL 1963

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## Request From The Secretary

The end of 1963 also means the end of a fiscal year for the Society. 1964 dues are due! It would be very much appreciated if each member, on reading this notice, would send me his check or money order in the amount of \$4, payable to the Society. All of us realize the complications of modern living. Sometimes we find it very difficult to find sufficient leisure time to enjoy our hobby. If you will now donate just three minutes of your time to mail your dues, it will save your Secretary many hours of work sending a reminder to each of you. Please send your dues to me at Box 165, Glen Ridge, New Jersey. 1964 membership cards will be sent by return mail.

GEORGE WAIT

## Treasurer's Report

**CORRECTION: TREASURER'S REPORT SHOULD READ AS FOLLOWS:**

**Expenditures:**

Printing and engraving <i>Paper Money</i> (3 issues).....	\$1,073.44
Postage for mailing <i>Paper Money</i> (3 issues).....	71.00
A. N. A. dues.....	5.00
D. C. Wismer Award at 1962 A. N. A. Convention.....	42.54
Bank charges (Canadian checks).....	0.25
Total.....	\$1,192.23

Net gain or (—) loss.....	\$ 792.12
Bank Balance at June 30, 1963.....	\$1,918.58

Glenn B. Smedley,

Treasurer

July 27, 1963

# Federal Reserve Bank Notes, Series 1915-1918 \*

by W. A. Philpott, Jr.

Secretary, Texas Bankers Association, Dallas, Texas

(The illustrations of the various Federal Reserve Bank Notes, which accompany this article, are printed by special permission of the Secretary of the Treasury, and further reproduction in whole or in part is strictly prohibited.)

A most engaging and popular series of United States paper money to collectors is the national currency (old large size) issued by the twelve Federal Reserve Banks. There were two series, 1915 and 1918, of this currency, properly referred to as Federal Reserve Bank Notes. These

notes have many interesting angles for the numismatic student. Paper money devotees are partial to this series for several reasons. These notes circulated in comparatively recent times. The twelve Federal Reserve Banks issued them in various denominations and signature combinations. Each note is at once uniform with every other note of like denomination, yet there is a vast variety because of different cities of issue, names of officers, and regional symbols.



\$1 denomination was issued by each of the twelve Banks. All are series of 1918. Total issued by all twelve banks \$478,892,000; total outstanding for all banks, September 15, 1963, \$773,503. Scarcest \$1's are those of the Minneapolis Bank.



Reverse of \$1's, uniform for all twelve Banks, showing flying eagle, perched on U. S. flag.

\*Reprinted from *The Numismatist*, August, 1951, by special permission of Elston G. Bradfield, editor of *The Numismatist*.

The twelve Banks issued a total of 126 different notes, where each denomination and each signature combination comprise a variety. There are 39 different \$1's; 34 different \$2's; 30 different \$5's; 12 different \$10's; 10 different \$20's; and only one \$50 (issued by the St. Louis Bank). One Bank (Atlanta) issued 17 different notes; four \$1's; three \$2's; five \$5's; two \$10's; and three \$20's. While one

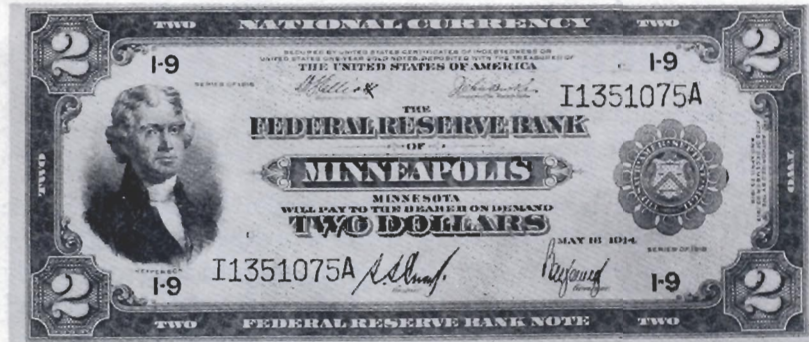
Bank (Richmond) issued only four different notes: two \$1's and two \$2's.

Federal Reserve Bank Notes, all denominations, actually put into circulation, totaled \$761,944,000 in face value. The September 15, 1963, outstanding total is \$1,096,966.50 and is becoming less as the years go by.

CONTINUED ON NEXT PAGE



FEDERAL RESERVE BANK NOTES...CON'D FROM PAGE 5



\$2 denomination was issued by each of the twelve Banks. All are series of 1918. Total issued by all twelve banks \$135,192,000; total outstanding for all banks, September 15, 1963, \$173,906 or 86,953 notes. Scarcest \$2's are those of the Dallas Bank.

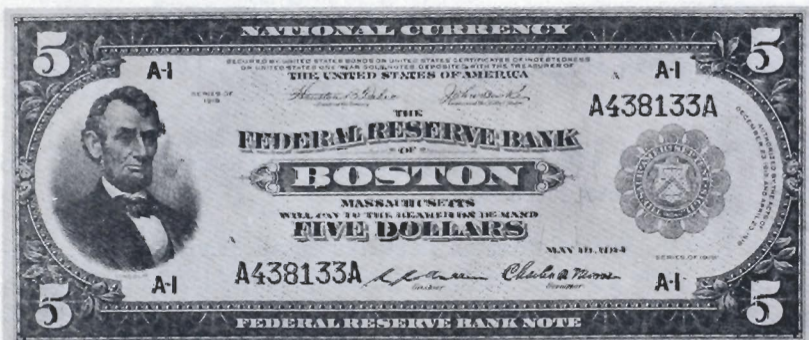


Reverse of the \$2's, uniform for all twelve Banks, showing U. S. battleship.

In the 1915 series there were no \$1's and \$2's issued. Of the twelve banks, only five put out the series of 1915: Atlanta, Chicago, Kansas City, Dallas and San Francisco (the last only with a \$5—the other four issued \$5's, \$10's and \$20's).

Let us take a look at the law behind these notes. The Federal Reserve Act (December 23, 1913) authorized the issuance of circulating notes by Federal Reserve Banks against the deposit of United States bonds, the notes to be of the same tenor and effect as national bank notes, then provided by law. These were to be issued and redeemed under the same terms and conditions as national bank

notes, except that the amount issuable was not limited to the capital stock of the issuing Federal Reserve Bank (as was the case with national banks). The original purpose of these provisions was to prevent a currency stringency, resulting from the withdrawal of any national bank notes which might be retired. The designation "national currency" was carried over to Federal Reserve Bank Notes, together with other characteristics of national bank notes. The first issue was made in February, 1916 (series of 1915), and additional issues of series 1915 were made from time to time until the high point was reached at the end of October, 1917, when there were \$12,970,425 outstanding.

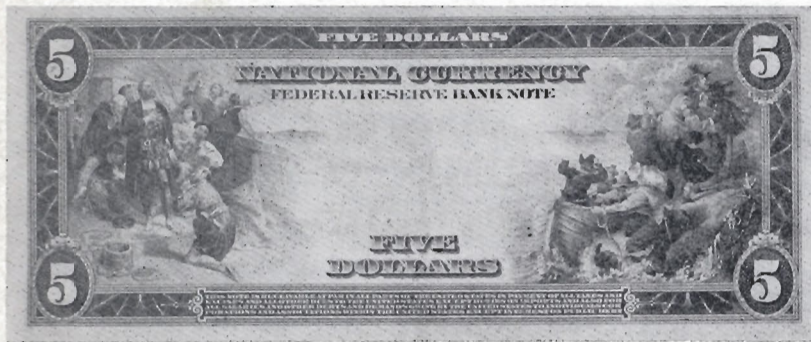


\$5 denomination was issued by eleven of the twelve Banks. The Richmond Bank issued only \$1's and \$2's. The \$5's were series of 1915 and 1918. Total issued by the eleven banks \$121,460,000; total outstanding for all banks, September 15, 1963, \$103,267.50 or 20,653½ notes. Scarcest \$5's are those of the Boston Bank.

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## FEDERAL RESERVE BANK NOTES...CON'D FROM PAGE 6



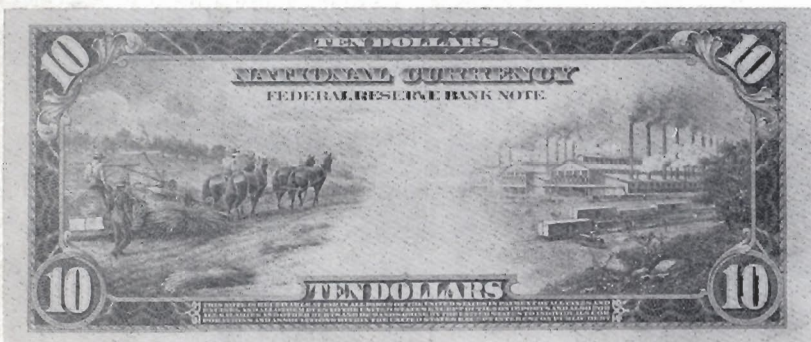
Reverse of \$5's, uniform for the eleven Banks, showing Columbus Sighting Land, and Landing of the Pilgrims.

The Act of April 23, 1918 (Pittman Act), provided for the issuance of Federal Reserve Bank Notes in place of silver certificates retired, and, as security, authorized the use of certificates of indebtedness, a special series of which was made available. This resulted in the series of 1918 and all twelve banks issued the notes to the total of many millions of dollars. The highest amount of Federal Reserve

Bank Notes in circulation at the beginning of any month during this period was \$236,597,570 on January 1, 1921. Following the restoration to circulation of the silver certificates, withdrawn from circulation under the Pittman Act, appropriate steps were taken for the retirement of the outstanding Federal Reserve Bank Notes, and many millions were speedily redeemed.



\$10 denomination was issued by the Banks in New York, Atlanta, Chicago, St. Louis, Kansas City, and Dallas. Series of 1915 and 1918. Total issued by the six banks, \$16,440,000; total outstanding on September 15, 1963, \$26,290 or 2,629 notes. Scarcest \$10's are those of the St. Louis Bank.



Reverse of \$10's, uniform for the six Banks, showing harvesting scene and manufacturing plant.

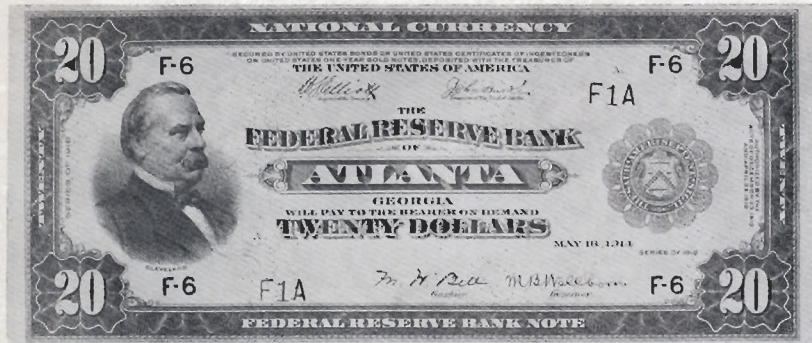
By the end of 1922, the Federal Reserve Banks had ended their liability on these issues of Federal Reserve Bank Notes (in accordance with the provisions of the law) by deposit with the Treasurer of the United States of lawful

money to the amount of those notes then outstanding, and because of this "liquidity" behind these notes the greater part of them were very quickly retired from circulation.

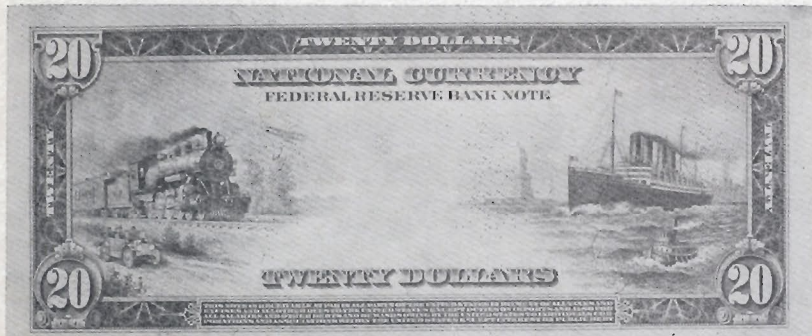
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## FEDERAL RESERVE BANK NOTES...CON'D FROM PAGE 7



\$20 denomination was issued by Banks in Atlanta, Chicago, St. Louis, Kansas City, and Dallas. Series of 1915 and 1918. Total issued by the five banks, \$9,760,000; total outstanding on September 15, 1963, \$17,200, or 860 notes. All 20's are rare.

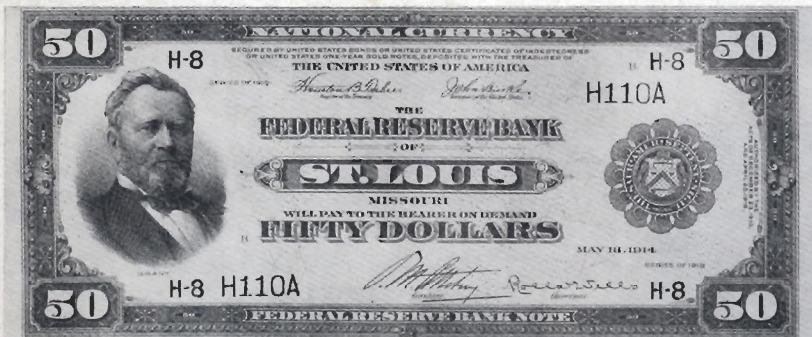


Reverse of \$20's, uniform for the five Banks, showing transportation by railroad, steamship, automobile, and airplane.

Since October 30, 1944, the redemption department of the Treasury has not segregated outstanding notes as to the different Banks—keeping only the outstanding figures as to denominations. So, today, we know how many of the several denominations are outstanding, but the figures are not broken down for any particular one of the twelve issuing banks.

All these notes carried four signatures: the Register of the Treasury and the Treasurer; and two officials of the particular bank of issue. The Washington officials who signed were Teehee (register) and Burke (treasurer) whose

tenure of office was four years, seven months, and twenty-six days (1915 to 1919); and Elliott (register) and Burke (treasurer) who were together one year, one month, and fourteen days (1919 to 1921). These signatures were engraved on the plates for all the notes, all Banks. The plates for the 1915 series (issued only by Atlanta, Chicago, Kansas City, Dallas, and San Francisco, as pointed out above) had blank spaces for names of the issuing Banks' officers (same as national bank notes) and these signatures came very irregularly: from a crude overprint to a hand-applied rubber stamp.



\$50 denomination was issued by the St. Louis Bank only. Total issued \$200,000; total outstanding on September 15, 1963, \$2,800, or 56 notes. This note is excessively rare in uncirculated condition.



Reverse of the \$50's show symbolic figure draped in U. S. flag, representing the Panama Canal enterprise.

CONTINUED ON NEXT PAGE



## FEDERAL RESERVE BANK NOTES...CON'D FROM PAGE 8

Banks and their regional numbers are: Boston 1-A, New York 2-B, Philadelphia 3-C; Cleveland 4-D, Richmond 5-E, Atlanta 6-F, Chicago 7-G, St. Louis 8-H, Minneapolis 9-I, Kansas City 10-J, Dallas 11-K, and San Francisco 12-L. These Bank regional designations appear conspicuously in several places on the face of all Federal Reserve Bank Notes.

The reverses of all Federal Reserve Bank Notes are uniform and do not vary, one bank from another. The \$5's, \$10's, \$20's, and \$50's, being identical with the reverses of Federal Reserve Notes, series 1914, except the line "Federal Reserve Bank Note" appears in the design oval. Also the label "National Currency" appears in the design oval on all except the \$2 and the \$50, where it is in the upper margin. In the upper margin of all notes, except the \$2 and the \$50, appears the denomination spelled out. The ink is green on these reverses. Obverse plates are printed in black. Seals and serial numbers are overprinted in blue.

The face of each Federal Reserve Note has a date: May 18, 1914, on all banks except San Francisco (notes on the latter Bank bear the date May 20, 1914, with one exception, noted later). This date is the day upon which organization certificates of the Banks were executed by the local groups. But since there was no airmail in those days, the Secretary of the Reserve Bank Organization Committee in Washington allowed two extra days (or May 20) to the 12-L (San Francisco) District.

In the following treatment, each Bank will be given a heading, and last segregated outstanding totals (as of October 30, 1944) will be shown.

## BOSTON

The Federal Reserve Bank of Boston (1-A) issued seven different notes: three \$1's, three \$2's, and one \$5. They are all 1918 series: \$39,600,000 in \$1's, \$24,936,000 in \$2's, and \$2,200,000 in \$5's, or a total of \$66,736,000. The signatures are as follows:

1918 Teehee & Burke, Bullen & Morss, \$1, \$2, \$5

1918 Teehee & Burke, Willett & Morss, \$1, \$2

1918 Elliott & Burke, Willett & Morss, \$1, \$2

The scarcest note of the Boston Bank is the \$5, there being only 375 (\$1,875) outstanding on October 30, 1944. The \$1 Teehee & Burke, Willett & Morss, is rare in uncirculated state, and seldom found better than very fine. The other \$1's can be found uncirculated without too much of a hunt. To recapitulate: total (all denominations) \$66,736,000 issued, total outstanding October 30, 1944, \$142,787.

## NEW YORK

Eight different notes were issued by the New York Bank (2-B); three \$1's, three \$2's, one \$5, and one \$10, totaling \$171,156,000. \$1's were \$106,724,000; \$2's totaled \$30,432,000; \$5's were \$32,000,000; and \$10's added up to \$2,000,000. Notes on the New York Bank are not too scarce, except the \$10—its outstanding on October 30, 1944 being only 343. Here are the different signatures:

1918 Teehee & Burke, Saffer & Strong, \$1, \$2

1918 Teehee & Burke, Hendricks & Strong, \$1, \$2, \$5, \$10

1918 Elliott & Burke, Hendricks & Strong, \$1, \$2

The New York \$10's are a bit scarcer than the Boston \$5's—there being half as many issued, and only 343 outstanding as of October 30, 1944. Total outstanding New York notes, all denominations, on October 30, 1944, \$407,668.

## PHILADELPHIA

The Philadelphia Bank (3-C) issued ten different notes, totaling \$75,064,000; four \$1's, four \$2's, and two \$5's. Of the \$1's there were \$51,056,000 issued; \$16,008,000 in \$2's; and only \$8,000,000 in \$5's. The signatures are:

1918 Teehee & Burke, Hardt & Passmore, \$1, \$2, \$5

1918 Teehee & Burke, Dyer & Passmore, \$1, \$2, \$5

1918 Elliott & Burke, Dyer & Passmore, \$1, \$2

1918 Elliott & Burke, Dyer & Norris, \$1, \$2

The rarest of the Philadelphia notes is the \$2, Elliott & Burke, Dyer & Passmore; and the \$1 with the same signature is scarce. Also scarce is the \$1 Teehee & Burke, Dyer & Passmore. The \$5's on Philadelphia, uncirculated, are not too plentiful, outstanding on October 30, 1944, were less than 1000 for both signatures—or less than 500 each. The total outstanding on Philadelphia as of October 30, 1944 was \$180,743 out of \$75,064,000 total issued.

## CLEVELAND

Nine different notes were issued by the Cleveland Bank (4-D), totaling \$64,864,000: three each of \$1's and \$2's and \$5's. They were all of the 1918 series and bear the following signatures:

1918 Teehee & Burke, Baxter & Fancher, \$1, \$2, \$5

1918 Teehee & Burke, Davis & Fancher, \$1, \$2, \$5

1918 Elliott & Burke, Davis & Fancher, \$1, \$2, \$5

All of \$2's of the Cleveland Bank are now scarce—less than \$3,000,000 of each signature combination having been issued, and less than \$23,000 (1150 pieces) of all three signatures now outstanding. The most difficult Cleveland note to secure in uncirculated state is the \$5 Teehee & Burke, Davis & Fancher. It can be classed as rare. Notes of the Cleveland Bank come in "low numbers" on all the nine different varieties for this simple reason: the late Charles Bickford was assistant cashier of the Cleveland Bank and head of the Cash Department at the time these notes were issued. He was a paper money collector himself. As these notes were issued he held back the first 1000 notes of each signature combination. Hence, today notes on the Cleveland Bank with serial numbers under 1000 are more common than those with higher serial numbers. Total outstanding on Cleveland, all denominations, on October 30, 1944, was \$194,668.

## RICHMOND

To own all notes issued by the Richmond Bank (5-E) it is necessary to secure only four specimens: two \$1's, and two \$2's. Total \$1's issued was \$28,384,000 and \$2's was \$7,472,000, adding up to \$35,856,000. Here are the signature combinations:

1918 Teehee & Burke, Keesee & Seay, \$1, \$2

1918 Elliott & Burke, Keesee & Seay, \$1, \$2

CONTINUED ON NEXT PAGE



## FEDERAL RESERVE BANK NOTES...CON'D FROM PAGE 9

On October 30, 1944 there were 90,609 \$1's and 8,498 \$2's outstanding. Uncirculated \$2's on the Richmond Bank are not too easy to find.

## ATLANTA

The largest number of different notes was issued by the Atlanta Bank (6-F): seventeen, comprising four different signature combinations, and two different series (1915 and 1918), totaling \$50,148,000. On October 30, 1944, only \$148,974 was outstanding. There are five different \$5's, four different \$1's, three different \$2's, and two \$10's and three \$20's. Notes of the series of 1915 (\$5's, \$10's, \$20's) are all scarce: barely \$1,000,000 in the three denominations issued, and less than \$10,000 outstanding. Here are the signature combinations:

1915 Teehee & Burke, Bell & Wellborn, \$5, \$10, \$20

1915 Teehee & Burke, Pike & McCord, \$5, \$20

1918 Teehee & Burke, Pike & McCord, \$1, \$2, \$5

1918 Teehee & Burke, Bell & McCord, \$1, \$2

1918 Teehee & Burke, Bell & Wellborn, \$1, \$5

1918 Elliott & Burke, Bell & Wellborn, \$1, \$2, \$5, \$10, \$20

All Atlanta \$5's are scarce, the 1915, Teehee & Burke, Pike & McCord, being rare. Of the \$10's (two signatures) only 270 are outstanding, or 135 for each signature. The \$20's (three signatures) are scarce, only 361 being unredeemed. Of Friedberg's No. 822-a, only one known (in Philpott collection). There is a possibility of a \$10 of this series (1915, Teehee and Burke, Pike & McCord) being discovered, as it was undoubtedly issued. Of all banks Atlanta \$2's are second scarcest (Dallas \$2's are rare) for two reasons: only 2,300,000 were issued, and superstitious Negroes (and maybe white folks too) in the Atlanta District tore off the corners. The author has seen several hundred Atlanta \$2's, each with two and three corners missing.

## CHICAGO

Twelve different notes were issued by the Chicago Bank (7-G) in total amount of \$105,488,000 of which \$322,106 was outstanding on October 30, 1944. There were issued five denominations: \$1, \$2, \$5, \$10, \$20. The signatures were four, as follows:

1915 Teehee & Burke, McLallen & McDougal, \$5, \$10, \$20

1918 Teehee & Burke, McCloud & McDougal, \$1, \$2, \$5, \$10

1918 Teehee & Burke, Cramer, & McDougal, \$1, \$2, \$5

1918 Elliott & Burke, Cramer & McDougal, \$1, \$2

The rarest Chicago note is the \$5, 1918, Teehee & Burke, Cramer & McDougal. Of the \$10's (two signatures) only 847 are outstanding, and of the \$20's only 170 are unredeemed. There are still 222,583 Chicago \$1's (three different signatures) outstanding, even though 64,432,000 were issued. The Chicago \$2's are fairly common, 28,627 remaining out of 9,528,000 issued.

## ST. LOUIS

The only Bank to issue the \$50 denomination was St. Louis (8-H). Exactly 4,000 (\$200,000) of the \$50's were

issued, and on September 15, 1963, there were only 56 outstanding. All these were printed from obverse plate No. 1, and no serial number goes above 4,000. Most of those in collections are numbered below 500. There were fourteen notes issued by the St. Louis Bank: \$27,908,000 in \$1's; \$6,600,000 in \$2's; \$7,620,000 in \$5's; \$1,000,000 in \$10's; \$480,000 in \$20's; and \$200,000 in \$50's. There are the four signature combinations:

1918 Teehee & Burke, Attebery & Wells, \$1, \$2, \$5, \$10, \$20, \$50

1918 Teehee & Burke, Attebery & Biggs, \$1, \$2, \$5

1918 Elliott & Burke, Attebery & Biggs, \$1, \$2

1918 Elliott & Burke, White & Biggs, \$1, \$2, \$5

The St. Louis Bank's \$10's, \$20's, and \$50's are the scarcest of these denominations, 237 \$10's, 93 \$20's, and 56 \$50's. The St. Louis \$1's are the second scarcest of the twelve Banks, there only being fewer Minneapolis \$1's than St. Louis \$1's. St. Louis \$1's outstanding as of October 30, 1944, was 82,511 for four different signatures, or about 20,626 for each.

## MINNEAPOLIS

The Minneapolis Bank (9-I) issued three \$1's, two \$2's and one \$5—totaling \$23,892,000, the lowest total of any Bank. Total outstanding, as of October 30, 1944, was \$59,777 in \$1's; \$19,486 in \$2's and \$9,372 in \$5's—grand total of \$88,635, the only Bank with less than \$100,000 outstanding. This explains why those who collect the \$1's and \$2's of the Federal Reserve Bank Notes find Minneapolis so difficult to find in acceptable specimens. Here are the signature combinations:

1918 Teehee & Burke, Cook & Wold, \$1, \$2, \$5

1918 Teehee & Burke, Cook & Young, \$1

1918 Elliott & Burke, Cook & Young, \$1, \$2

The rarest of the six notes issued by Minneapolis is the \$1 Teehee & Burke, Cook & Young. In uncirculated state it is very rare and difficult to find. On October 30, 1944 there were 59,777 \$1's out, three signatures, or 19,925 for each signature combination; 9,743 \$2's out or 4,871 for each signature; and 1,874 \$5's.

## KANSAS CITY

The Kansas City Bank (10-J) issued fifteen different notes: totaling \$62,804,000 as follows, \$24,820,000 in three different \$1's; \$5,304,000 in two different \$2's; \$24,040,000 in five different \$5's; \$5,040,000 in three different \$10's; and \$3,600,000 in two different \$20's. On October 30, 1944, these were outstanding: 98,225 \$1's; 7,846 \$2's; 13,404 \$5's; 1,480 \$10's; and 674 \$20's. Here are the signature combinations:

1915 Teehee & Burke, Anderson & Miller, \$5, \$10, \$20

1915 Teehee & Burke, Cross & Miller, \$5, \$10, \$20

1915 Teehee & Burke, Helm & Miller, \$5, \$10

1918 Teehee & Burke, Anderson & Miller, \$1, \$2, \$5

1918 Elliott & Burke, Anderson & Miller, \$1

1918 Elliott & Burke, Helm & Miller, \$1, \$2, \$5

The rarest of the Kansas City notes are the 1915 series, Helm & Miller, \$5 and \$10, in uncirculated condition. The

CONTINUED ON NEXT PAGE



## FEDERAL RESERVE BANK NOTES...CON'D FROM PAGE 10

two \$20's total only 674, or 337 for each signature. Of these the Anderson & Miller are scarcer than the Cross & Miller.

## DALLAS

There were fourteen notes issued by the Dallas Bank (11-K) totaling \$27,648,000, the lowest of all (except the Minneapolis Bank): \$17,864,000 in \$1's; \$2,424,000 in \$2's; \$2,960,000 in \$5's; \$2,400,000 in \$10's; and \$2,000,000 in \$20's. On October 30, 1944, there were outstanding 85,789 in \$1's; 4,017 in \$2's; 1,437 in \$5's; 804 \$10's and 230 \$20's. Here are the signatures:

1915 Teehee & Burke, Hoopes & Van Zandt, \$5, \$10, \$20  
 1915 Teehee & Burke, Gilbert & Van Zandt, \$10, \$20  
 1915 Teehee & Burke, Talley & Van Zandt, \$5, \$10, \$20  
 1918 Teehee & Burke, Talley & Van Zandt, \$1, \$2, \$5  
 1918 Elliott & Burke, Talley & Van Zandt, \$1, \$2  
 1918 Elliott & Burke, Lawder & Van Zandt, \$1

The Dallas Bank's \$2 is scarcest of all Federal Reserve Bank Note \$2's, there only being 4,017 outstanding (two signatures) on October 30, 1944. Total \$2's issued by Dallas Bank were a good half million dollars below any other of the eleven Banks (\$2,424,000). Dallas' total \$20's is 230 with three signatures (77 for each signature). The three \$10's total only 804, or 268 for each signature. The rarest signature is on the 1915 series, Gilbert & Van Zandt (\$10's and \$20's) and the \$5 in this may turn up some day. The most difficult note to get uncirculated of the Dallas Bank's fourteen notes is the \$1 Elliott & Burke, Talley & Van Zandt. The writer has seen many extremely fine—but waited a long time for an uncirculated one.

## SAN FRANCISCO

Nine notes were issued by the San Francisco Bank (12-L). The Bureau of Engraving, however, prepared plates and printed \$10's, \$20's, and \$50's for this Bank. The finished notes even went to the Pacific Coast city, but for some reason these larger denomination notes were never

issued. Presumably they were of the 1915 series, but only the \$5 of that series was issued, \$1,680,000 of them. The Bank put out \$23,784,000 in \$1's; \$6,376,000 in \$2's; and \$4,280,000 in \$5's—totaling \$34,440,000. Outstanding totals on October 30, 1944 were: 84,081 \$1's; 13,553 \$2's; and 2304 \$5's. Here are the five signature combinations:

1915 Teehee & Burke, Clerk & Lynch, \$5  
 1918 Teehee & Burke, Clerk & Lynch, \$1, \$2, \$5  
 1918 Teehee & Burke, Clerk & Calkins, \$1  
 1918 Elliott & Burke, Clerk & Calkins, \$1, \$2  
 1918 Elliott & Burke, Ambrose & Calkins, \$1, \$2

All these notes bear date of May 20, 1914, while the date on obverse of all series issued by the other eleven Banks is May 18, 1914 (see explanation in a preceding paragraph). However, there is a \$5 note, series 1918 Teehee & Burke, Clerk & Lynch which has the "regulation" date, May 18, 1914, on its face, evidently an engraver's error in making the first (?) plate for the San Francisco \$5, series 1918. The writer considers the May 20, 1914, \$5 the later one, after the error was discovered and corrected. This May 18, 1914, San Francisco \$5 note is very rare.

## RELATIVE RARITIES

In order that the collector may have a table of "rarity" on the different Banks and denominations, there are arranged some tables, showing the outstanding figures of different denominations from the twelve Banks. The figures of outstanding notes on different Banks, all denominations, are as of October 30, 1944, when the Redemption Division of the Treasury discontinued breaking down different denominations of the different Banks. Since that date all \$1's, all \$2's, etc., have been dumped together without regard to Banks of issue. Since the \$50 was only issued by St. Louis, the exact outstanding figure as of September 15, 1963, is given. Percentagewise, the different banks will hold the places they had October 30, 1944, so that there can be reductions made from the 1944 outstanding figures right across the board.

TOTAL OUTSTANDING AS OF OCTOBER 30, 1944,  
BY BANKS AND DENOMINATIONS

BANK	\$1	\$2	\$5	\$10	\$20	\$50	TOTAL
Boston	\$ 101,629.50	\$ 39,280.00	\$ 1,877.50	\$	\$	\$	\$ 142,787.00
New York	300,734.50	70,869.00	32,635.00	3,430.00			407,668.50
Philadelphia	134,608.00	37,783.00	8,352.50				180,743.50
Cleveland	144,014.50	27,671.00	22,982.50				194,668.00
Richmond	90,609.00	16,997.00					107,606.00
Atlanta	114,596.50	14,395.00	10,062.50	2,700.00	7,220.00		148,974.00
Chicago	222,583.00	57,253.00	30,395.00	8,475.00	3,400.00		322,106.00
St. Louis	82,511.50	18,404.00	11,912.50	2,370.00	1,860.00	4,100.00	121,158.00
Minneapolis	59,777.00	19,486.00	9,372.50				88,635.50
Kansas City	98,225.50	15,692.00	67,022.50	14,800.00	13,480.00		209,220.00
Dallas	85,789.00	8,035.00	7,185.00	8,040.00	4,610.00		113,659.00
San Francisco	84,081.00	27,107.00	11,520.00				122,708.00
Total	\$1,519,159.00	\$352,972.00	\$213,317.50	\$39,815.00	\$30,570.00	\$4,100.00	\$2,159,933.50

## ALL BANKS, ALL DENOMINATIONS

	Total Issued	Total Outstanding Sept. 15, 1963
\$1's	\$478,892,000	\$773,503.00
\$2's	135,192,000	173,906.00
\$5's	121,460,000	103,267.50
\$10's	16,440,000	26,290.00
\$20's	9,760,000	17,200.00
\$50's	200,000	2,800.00
Total	\$761,944,000	\$1,096,966.50

CONTINUED ON NEXT PAGE



## FEDERAL RESERVE BANK NOTES...CON'D FROM PAGE 11

**SIX SCARCEST \$1's,  
ALL SIGNATURES:**

Minneapolis .....	59,777
St. Louis .....	82,511
San Francisco .....	84,081
Dallas .....	85,789
Richmond .....	90,609
Kansas City .....	98,225

**THREE LARGEST  
OUTSTANDING \$1's:**

New York .....	300,734
Chicago .....	222,583
Cleveland .....	144,014

**SIX SCARCEST \$2's,  
ALL SIGNATURES:**

Dallas .....	4,017
Atlanta .....	7,197
Kansas City .....	7,846
Richmond .....	8,498
St. Louis .....	8,202
Minneapolis .....	9,743

**THREE LARGEST  
OUTSTANDING \$2's:**

New York .....	35,434
Chicago .....	28,627
Boston .....	19,640

**SEVEN SCARCEST \$5's,  
ALL SIGNATURES:**

Boston .....	375
Dallas .....	1,473
Philadelphia .....	1,670
Minneapolis .....	1,874
Atlanta .....	2,012
San Francisco .....	2,304
St. Louis .....	2,382

**THREE LARGEST  
OUTSTANDING \$5's:**

Kansas City .....	13,204
New York .....	6,527
Chicago .....	6,079

**SIX SCARCEST \$10's,  
ALL SIGNATURES:**

St. Louis .....	237
Atlanta .....	270
New York .....	343
Dallas .....	804
Chicago .....	847
Kansas City .....	1,480

Since these six Banks were the only ones to issue \$10's, there was on January 15, 1951 a total of only 3,649 \$10's, all signatures on all six Banks.

**ALL \$20's ARE SCARCE:**

St. Louis .....	93
Chicago .....	170
Dallas .....	230
Atlanta .....	361
Kansas City .....	674

Only five Banks issued \$20's, so all the \$20's Federal Reserve Bank Notes outstanding September 15, 1963, were 860, and by now they are probably down to 700.

The St. Louis \$50's are easy to check. Outstanding total dollars on September 15, 1963 in these \$50's was \$2,800 or 56 pieces.

**HERE ARE THE TWELVE  
SCARCEST NOTES:**

St. Louis \$50 .....	56
St. Louis \$20 .....	93
Chicago \$20 .....	170
Dallas \$20 .....	230
St. Louis \$10 .....	237
Atlanta \$10 .....	270
New York \$10 .....	343
Atlanta \$20 .....	361
Boston \$5 .....	375
Kansas City \$20 .....	674
Dallas \$10 .....	804
Chicago \$10 .....	847

**SCARCEST NOTES,  
ACCORDING TO BANKS:**

Boston \$5 .....	375
New York \$5 .....	6,527
\$10 .....	343
Philadelphia \$5 .....	1,670
Cleveland \$5 .....	4,596
Atlanta \$2 .....	7,197
\$5 .....	2,012
\$10 .....	270
\$20 .....	361
Chicago \$5 .....	6,079
\$10 .....	847
\$20 .....	170
St. Louis \$5 .....	2,382
\$10 .....	237
\$20 .....	93
\$50 .....	56
Minneapolis \$5 .....	1,874
Kansas City \$10 .....	1,480
\$20 .....	674
Dallas \$2 .....	4,017
\$5 .....	1,437
\$10 .....	804
\$20 .....	230
San Francisco \$5 .....	2,304

## New Membership Roster

No.	NAME AND ADDRESS	DEALER OR COLLECTOR	SPECIALTY
562	George M. Baude, 14208 Vanowen Street, Van Nuys, California	C	CSA, Southern States, Inflation Notes, World War II
563	Alphonse Beck, 1314 Pembroke Street, Victoria, B.C., Canada	C	Canadian and American
564	James R. Hosler, 80 South Main Street, Manheim, Pennsylvania	C	Colonials and Continentals
565	Dr. Bernard J. Schaaf, 203 Marshall St., Syracuse 10, New York, 13210	C	Small sized currency
566	L. Candler Leggett, 4648 Cedarhurst Dr., Jackson 6, Mississippi	C	CSA and Mississippi Obsoletes

**CHANGE OF ADDRESS**

120	Alfred D. Hoch, 2218 Hartford Avenue, Fullerton, California
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**REINSTATED**

437	Robert D. McCarron, 69 Waban Hill Road, N. Chestnut Hill 67, Massachusetts	C	Broken Bank Notes and Early American engravings
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## Ben Holladay—King Of The Stage Coach Era

His famous Stages Carried Most of the Passengers, Mail and Express To the West Before the Advent of the Railroads.

By Fred R. Marckhoff

At this very minute, exactly one hundred years ago, the thundering hoofs of strong, fast horses drawing the Overland Stage Company coaches could be heard resounding across the countryside of the vast western plains.

They were bringing passengers, mail and express to cities of the west on regularly scheduled routes, for the first time in many instances. Their service extended over the desert, across the mountains, through deep forests and into remote mining camps. In good weather and bad, these early stages kept a remarkably good schedule.

The trail of **historic** and numismatic experiences left by the largest of **these** pioneer transportation companies, The Overland Stage Company and its later title: "The Holladay Overland Mail & Express Company", is second to none on the North American continent in scope and interest.

Obstacles which had to be overcome were many. West of the Missouri River was still "Indian Country". Emigrant wagon trains, stage coaches and even Army scouting patrols were prime targets for Indian attacks whenever the odds were favorable. In the South and East the Civil War was being fought. The southern route through Texas and Arizona had been closed by the hostilities. The railroads had not yet penetrated the area west of the Mississippi River to any extent.

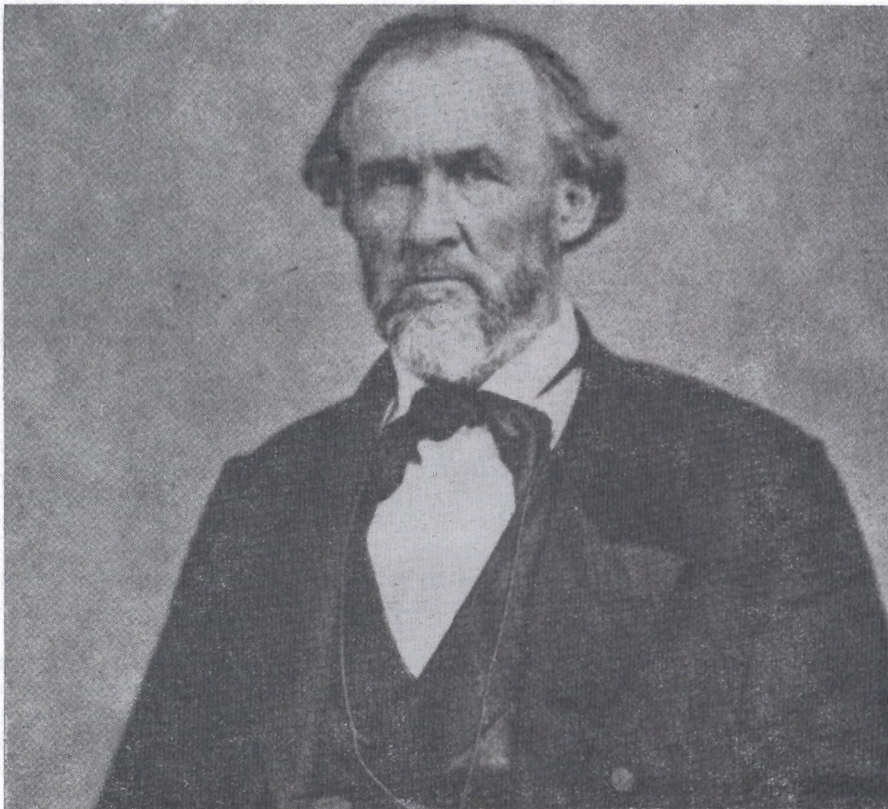
### Earliest Years of Holladay

Out of circumstances such as these a man named Ben Holladay carved his empire—an empire built on wheels—the first successful large scale stage coach operation in the west.

More timid men would not have accepted the challenge. Perhaps it was the successively greater steps in this chosen field which Holladay made as a young man which fitted him for his role of stage coach king when the time came.

For Holladay's life was exciting, eventful and hazardous from the moment he stepped off the boat at St. Louis, Missouri in 1836 at the age of 16, along with his two brothers and parents, who had decided to move from Kentucky to Missouri. They made their way across the State to Weston, which was just across the Missouri River from Fort Leavenworth, Kansas.

Holladay's first major employment came at the age of 18, when he joined Col. Alexander Doniphan's Army expedition to the far west as a civilian courier. From this experience he received his first lesson in how to handle transportation problems. It was the first step on his road to fame and fortune.



Ben Holladay, in the latter part of his life.

CONTINUED ON NEXT PAGE



BEN HOLLADAY...CON'D FROM PAGE 13

Upon returning home almost a year later, he became a store clerk in Weston, which was booming from its hemp and tobacco exports. On May 11, 1839 he took out a dram shop license and six months later was operating a tavern. At the age of 21, he operated a small hotel. Later he became a drug store owner, a general merchandise store proprietor in conjunction with his brother Jesse, and a packing plant owner, run jointly with his other brother Dave. For a short time he also was postmaster of Weston, a far cry from such a post today, however.

In 1840 he married Ann Notley Calvert, who claimed descendency from Lord Baltimore, founder of the Maryland Colony.

Despite his many and varied activities, most of which were at least average financial successes, Holladay was restless and looking for bigger worlds to conquer. It was the Mexican War of 1846 that gave him just such an opportunity. General Stephen W. Kearney's army command stationed at Fort Leavenworth had orders to leave for the far west. The usual contract bids went up for private contractors to supply various staples, wagons, mules, etc. for the trip.

There were numerous bidders, but the successful bidder to supply flour, bacon, wagons and mules was Ben Holladay of Weston, Missouri. Just how he outbid veteran contractors probably will never be known, but he fulfilled his contract to the letter. Profits on some parts of the contract ran as high as 200%. Upon receipt of payment, Holladay could already be considered a wealthy man at the age of 28, by all standards of that day at least. After the war ended and the expedition had returned, he bought back the excess oxen, mules, wagons and supplies, as surplus at very low prices.

### Holladay's Freighting Ventures

The purchase of these excess items was for a definite purpose and motive. The knowledge and experience gained in his earlier ventures in this field were being used by Holladay in planning for his next big step, a 1200 mile trek into the new Mormon settlements of Utah with a wagon train load of merchandise. He formed a partnership with Theo. W. Warner, a leading Weston merchant, the latter supplying most of the trade goods while Holladay took care of all transportation needs. From February to June, 1849, the assembling of drivers, goods, wagons and animals took place.

In June, 1849 fifty wagons loaded with \$70,000 in merchandise of all descriptions rumbled out of what was in a few years, Leavenworth, Kansas, guided by Holladay and Warner.

It was a huge gamble, to say the least, for an attack by Indians, extremely bad weather or even an unreceptive

Mormon colony would have meant failure. In this latter regard, Holladay was at least partially fortified, having been given a letter of introduction to Brigham Young, the Mormon leader, from his former employer, Colonel, now General Alexander Doniphan. All went well, and with the Mormon leader's approval all merchandise was sold quickly to the short handed Mormons at a very good profit.

Exulted at the results, the wagon train operators returned to Weston in the fall of 1849. Holladay bought a mill and a sixteen room house just east of Weston. He already owned a 1200 acre farm near Union Mills, now Edgerton, Missouri.

But the freighting venture of 1849 proved to be only a stepping stone to an even greater operation in 1850. This time a 100 wagon train, a mile or more in length, carrying goods valued at \$150,000, again set out for Utah Territory. Each wagon held between 5000 and 6000 pounds of freight, pulled by five or six yoke of oxen.

At night the animals were corralled for protection, by surrounding them with overlapping wagons in a heart shape. Each wagon was in charge of a professional driver known as a "bush whacker", a very tough breed of outdoor men. Advance riders and roving outriders kept watch constantly for Indians, both near and far. Flanking guards rode alongside the wagons, protecting the sides of the long train. Hunters were constantly riding out to bring down game for the provisions.

Although the trip was made without mishap, this time not all the merchandise was sold in Utah for cash. Much of it was traded for a large herd of cattle, of which the Mormons had a plentiful supply. This entire herd was then driven on foot from Utah to California. Here most of it was sold for thirty cents a pound on the hoof, although acquired on the basis of only \$6. a head.

Before returning home, the two partners contracted to supply the Benecia, Cal. army post with fresh beef for a year. This completed the disposition of all cattle on hand and the men were at last free to return to Weston.

### Holladay Turns To The Stage Coach

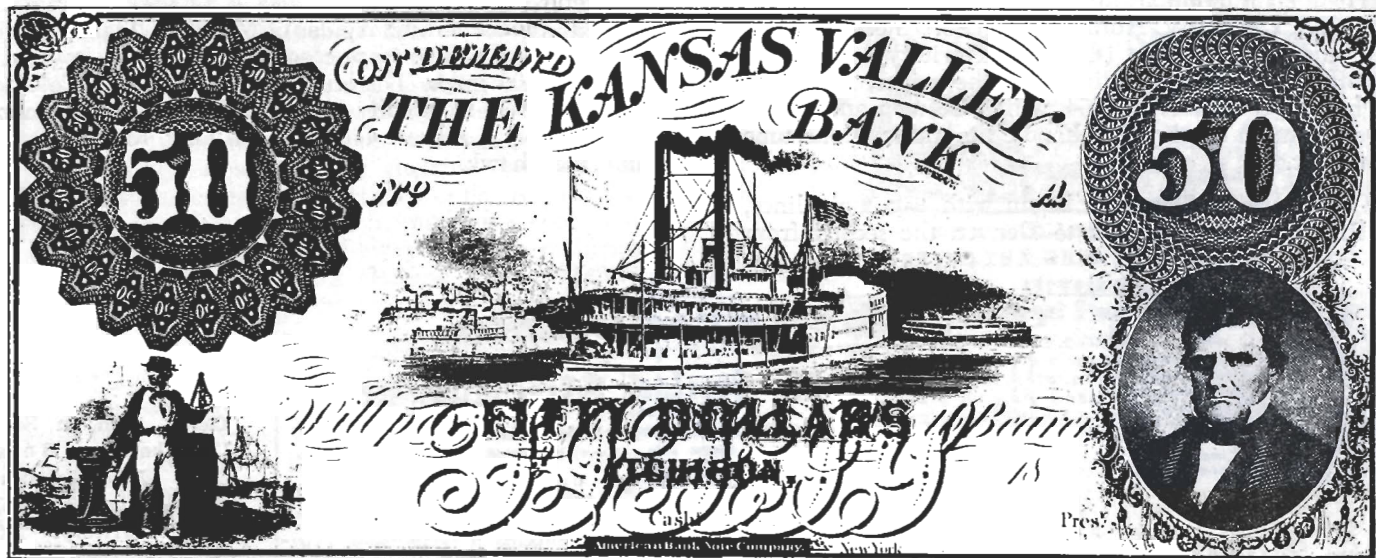
No more freighting trips to the west were made, whether from choice or because competition from the well established firm of Russell, Majors & Waddell was overwhelming. This huge company absorbed almost all freighting contracts to the exclusion of smaller outfits. By the late 1850s thousands of men, wagons and livestock were in their employ.

In 1859 they decided to branch out and set up a new stage coach line between Atchison and Colorado Territory. Holladay was hired to buy equipment for the new line. There is reason to believe he also became a stockholder at the same time, or extended a financial loan as part of the deal for his services.

CONTINUED ON NEXT PAGE



BEN HOLLADAY... CON'D FROM PAGE 14



Holladay's first experience in the stage coach business was with Russell, Majors & Waddell. Portrait on note is that of Mr. Waddell. This firm owned The Kansas Valley Bank of Atchison, Kansas when Holladay joined them.

Earlier he had made a similar act in becoming financial surety for W. L. Blanchard, successor to George Chorpennig, who had the original mail route between Salt Lake City and Sacramento in 1853. This operation was not a stage coach route, however, but rather a covered wagon only, drawn by a four mule team. And as early as 1856 he had made an unsuccessful bid to carry mail between Independence, Mo. and Salt Lake City, but his \$45,000. bid was far above the winning bid of \$23,000. by Hiram Kimball.

But while the Russell, Majors & Waddell Co. was handling many contracts it was putting more money into its capital structure for new operations far faster than its income warranted. Their historic Poney Express enterprise, while heroic and thrilling to read about, was a heavy financial failure. Marauding Indians destroyed equipment and stole animals in large numbers.

By early 1861, the abbreviation of their Central, Overland, California & Pikes Peak Express Co. title, The C. O. C. & P. P., was jokingly referred to by its employees who often were not paid when pay day came, as "The Clean Out of Cash & Poor Pay".

Holladay assumed an increasingly important role in the finances of the company as the money condition worsened. At first his advances were only to help meet their heavy new capital requirements. But by late 1861 he was loaning them money to pay the current operating expenses, including salaries.

With outgo exceeding income and no visible improvement in sight, Holladay pressed for a judgment without further delay. In the Leavenworth (Kans.) Conservative newspaper on Nov. 21, 1861, a notice appeared offering assets of the company to be sold at auction. A Kansas judge had the sale delayed, however, until Feb. 1862, when the sale was again advertised to take place, this time at Atchison on March 21, 1862.

Highest and only serious bidder for the line was Ben Holladay. It came out in the legal proceedings that his bid of \$100,000. was for the purpose of protecting his previous loans of \$208,000., making the total value of his bid \$308,000.

### Holladay's Overland Stage Co.

The man from Weston, Missouri went into his new business with his usual vigor, determination and sharp financial acumen.

His first act was to change the name of the company on all coaches to "The Overland Stage Company". He had this name printed in large letters on each side of the coach, which was painted in brilliant red, striped in black, and with a straw colored chassis.

Also, he was not satisfied with the horses of his predecessor. He had to have the fastest, strongest animals available, in order to outrun the smaller Indian ponies. Even though the Civil War had placed a premium on such animals, Holladay paid the price, nevertheless. At the start of the war a good horse cost \$200., a mule \$150. and a yoke of oxen \$165., but as the hostilities continued, it became necessary to pay much more. Holladay is estimated to have paid out at least \$500,000 just for horses, mules and oxen while in business.

The next change was made in the addition and improvement of the lonely relay or swing stations, usually spaced from ten to twenty miles apart. Likewise, the larger main or "home" stations were improved. Most of these served hot meals, had large repair shops for the whole division and had permanent sleeping quarters for the drivers and messengers. From these headquarters supplies of all kinds were received and distributed to the smaller relay stations.

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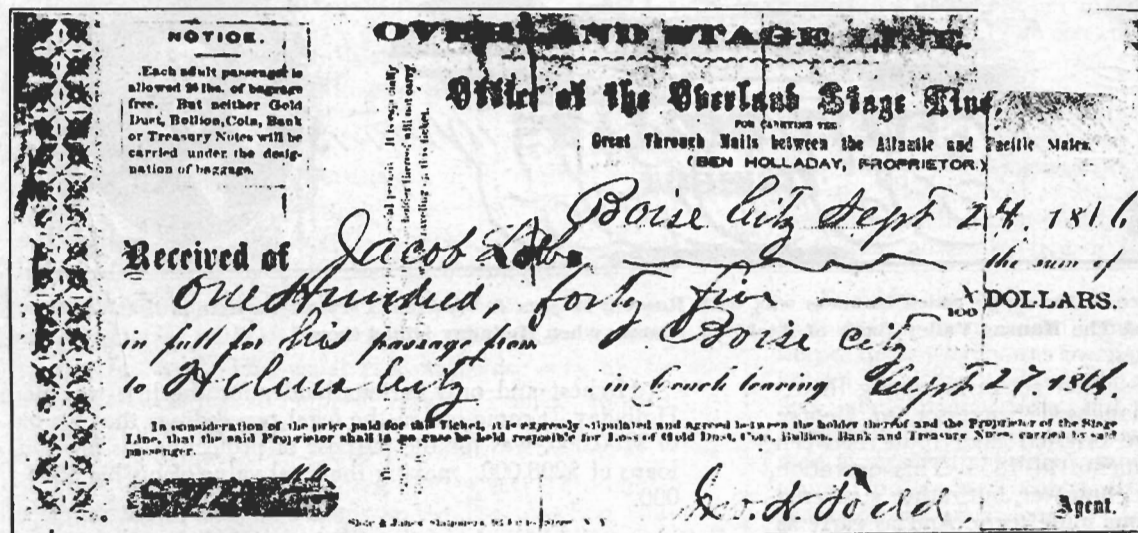


BEN HOLLADAY... CON'D FROM PAGE 15

These main terminals included Atchison, Denver, Julesburg, Salt Lake City, North Platte (Fort Steele), Green River and Virginia Dale (Colorado Territory). Julesburg, a center of freighting activity for the mines, had 3574 freight wagon arrivals in 1864, with 4258 men and 28,592 horses or mules employed to handle the traffic at one time or another.

The Overland Stage Co. began with two main lines, the first one from Atchison to Denver, the second from

Denver to Salt Lake City. Later a network of lines extended into the mining regions of Montana, Idaho, Oregon and California. The stage coach empire finally covered a total of 3300 miles. The busy mining centers of Colorado Territory were especially lucrative; these were Arapahoe, Golden City, Missouri City, Central City, Mountain City and Blackhawk.



Ticket used in Sept., 1866 between Boise City, Idaho Territory, and Helena City, Montana Territory. Title used was that of "Overland Stage Line," even though this name had been changed in April, 1866.

While Holladay worked feverishly to get the lines working the way he wanted them to by early 1862, it was also this year that he experienced his first serious losses from Indian raids. The Civil War made any requests for army patrols almost out of the question. Even when promised these patrols frequently could not be diverted from military duties. It became not uncommon to arrive at a small relay station only to find the occupants scalped, the cabin burned and the horses stolen. Even stage coaches were waylaid while en route from town to town, in which case not only life and property were lost, but the mails were burned, stolen or lost in the depredations. Holladay appealed vainly for relief until the losses became so great, especially in Utah Territory, that the matter was brought to the attention of President Lincoln. The President suggested that Brigham Young raise a company of cavalry to protect the mail route. Mr. Young responded willingly, after which Holladay sent the following telegram to the Mormon leader:

MANY THANKS FOR YOUR PROMPT RESPONSE TO PRESIDENT LINCOLN'S REQUEST. AS SOON AS THE BOYS CAN GIVE PROTECTION, THE MAILS WILL BE RESUMED. I LEAVE FOR YOUR CITY SUNDAY NEXT.

Ben Holladay

Evidently Mr. Young could not cope with the maraudings entirely either. For not long afterward, Holladay met

in Washington personally with President Lincoln, Postmaster Blair, Secretary of War Stanton and Senator Milton Latham of California. At this conference Mr. Lincoln said emphatically, "Mr. Holladay, you must have protection, the mails must be carried!" And despite their scarcity cavalry units of the regular army were assigned the task of keeping the roads open. This improved the situation considerably but occasional raids still occurred. The problem never was solved to Holladay's complete satisfaction. In 1862 alone, he submitted bills of \$51,543.00 to Congress for Indian damages.

But these losses were one field in which Holladay failed badly. In January, 1866 he presented his total claims of about \$500,000. to Congress, but was referred to the Court of Claims. The claim was repeatedly postponed by this body until 1877, when Congress offered \$100,000. to settle the account in full, about one-fifth of the original claim. Heirs continued the fight, but it was a losing one, as the claim was eventually thrown out.

An unusual accident in 1862 almost cost Holladay his life. He was vacationing on the "Golden Gate" in the Pacific when the boat caught fire. The flames got out of control and the ship was headed for the breakers. Disaster seemed certain from either fire or shipwreck. Holladay climbed down the side of the boat to get away from the flames. For two hours he clung to a ladder despite injuries received from the rudder. A rescue ship finally came alongside and he was taken safely aboard.

CONTINUED ON NEXT PAGE



BEN HOLLADAY... CON'D FROM PAGE 16

One task that Holladay did not assign to others was the personal checking of all the details of equipment and personnel over the entire network of routes. For this purpose he had his own inspection coach, which was specially built with extra comforts and facilities not found on the regular coaches. His coach had cushioned seats mounted on spiral springs, expensive side curtains, beautiful oil lamps with silver cases and a writing table. Always following this one was another coach, carrying a cook, several bodyguards and a supply of everyday needs or luxuries, including mattresses, extra clothing, cigars, brandy, etc. Each coach was drawn by a six horse team.

While 1863 was a comparatively quiet year for the Overland Stage Co., 1864 was just the opposite. One of its biggest events was the contract to haul 100 million pounds of freight from the Denver area to the railheads along the Missouri River. Before the job was completed, 15,000 men and 20,000 wagons were used. Considering the fact that freight charges were usually seventeen cents a pound for each one hundred miles, it may seem that a small fortune was involved.

Wagons capable of holding three tons of freight were used for this kind of job. These were the "J. Murphywagon" brand, made in St. Louis. These long, heavy caravans probably did more than anything else to create permanent, recognizable roads in the west. For the single vehicles in open country followed no set path, one place usually being as good as another, and no visible trail was left after a short time. Only through narrow valleys or canyons did these single travelers ever follow the same well defined road.

Also in 1864, Holladay bought out the Western Stage Co. of Nebraska City, Nebr., a center of freighting activity itself at that time.

This was also the year that this far flung stage empire reached its full growth. It extended into the mining camps of Idaho and Montana by making connections with the Helena-Salt Lake City Line. On July 1, 1864 the stages reached The Dalles, Oregon, but due to Indian raids, they did not reach Boise City until Aug. 11, 1864. Holladay had the first mail contract in Idaho Territory.

Traffic in gold dust and bullion finally became so heavy that after Dec. 10, 1864, special express coaches, operating as often as once a week, carried nothing but these valuables. Charges were  $1\frac{1}{2}\%$  of the value declared, in sums of \$100. and upward. Express rate was \$1.00 per pound until 1866, when the price was reduced slightly. As might be expected, by terms of the ticket, no gold dust, bullion, coin or bank and treasury notes could be carried as baggage—this, of course, to prevent excessive loss claims in case of holdup. This provision is clearly indicated on a ticket of Gilmer & Salisbury, one of Holladay's inheritor companies, by way of Wells, Fargo & Co., and illustrated herewith.

But this increased passenger and express service was hurting, rather than helping the city of Denver. It became almost impossible to secure seats on coaches returning east, the coaches being already filled with through passengers

## The Overland Stage Line



**BEN HOLLIDAY, Prop'r.**  
CARRYING THE GREAT THROUGH MAIL  
BETWEEN THE

### Atlantic and Pacific States.

**THIS LINE** is now running its Daily Coaches to and from Atchison, Kansas, and Placerville, California, through the City of Denver. Coaches for Salt Lake, Carson Valley, and California, leave every morning at eight o'clock. Coaches for Atchison leave every morning at eight o'clock.

Quick time, and every convenience afforded to passengers.

A Treasure and Freight Express carried weekly between Denver and Atchison, in charge of the most competent and trustworthy messengers.

The Express leaves Denver every Tuesday morning, and secures to shipments certainty, security, and celerity.

This Line also runs Large Six Horse Daily Coaches, carrying Passengers, Mails, and Express matter between Denver and the Gregory Gold Regions.

Coaches for Central City leave every morning at seven o'clock.

Returning, leave Central City every morning at the same hour.

Close connections made to and from all points East, West, and in the Mines.

#### THE ONLY DIRECT ROUTE TO—

Chicago,	Cleveland,	Baltimore,
Toledo,	Cincinnati,	Washington,
Detroit,	Louisville,	New York,
Buffalo,	Pittsburg,	Boston,

And all other principal cities in the United States and Canadas.

Through Tickets for sale at the office of the Overland Stage Line, Denver City, for all points east of the Missouri River.

Time to Atchison 6 days.

Time to Salt Lake City 5 days.

Time to Placerville 13 days.

Full particulars will be given at the office, under the Planter's House, in Denver, and at all other offices on the Line.

**C. F. DAHLER, Agent**

may3dtf.

This advertisement of The Overland Stage Line appeared in a Denver, Colorado Territorial newspaper in 1864 and clearly shows extent of Holladay's operation.

from the mining areas before even reaching Denver. The only alternative was to wait until an unfilled coach arrived. A notice in the Rocky Mountain News of Denver on June 30, 1864, read in part, "For 4 years more Colorado, Utah and Nevada belong to Ben Holladay for a footstool and may the Lord have mercy on them." This was directly in reference to the four year contract won by Holladay, extending into 1868.

The good fortunes of 1864 had made Holladay a millionaire several times over. As the war activities died down by late 1864 and early 1865, more and more people were able to go west to seek their fortunes.

CONTINUED ON NEXT PAGE



BEN HOLLADAY... CON'D FROM PAGE 17

NOT TRANSFERABLE.

Office of **GILMER & SALISBURY,**

Franklin, Idaho, June 1 1876

M J Budd is entitled to one seat from Franklin City to Helena in coach leaving June 2

**TERMS AND CONDITIONS:** Each adult passenger is allowed twenty-five pounds of baggage free. But neither Gold Dust, Bullion, Coin, nor Bank or Treasury Notes will be carried under the designation of baggage. And this passage is taken, and ticket accepted by said passenger under the express agreement and condition that the carriers will not be responsible for the baggage so allowed said passenger, but the same is wholly at the risk of the owner thereof. And that all care, custody and control of such baggage, and all other property belonging to said passenger, by the agents, hands and employees of the carriers, and all handling, changing and arranging of the same shall be deemed, and they are hereby declared to be, the acts of the agents, hands and employees of the said passenger.

Sam Henderson Agent.

Times Print.

Actual passenger ticket issued by a successor to the Holladay Line, on the Salt Lake City to Helena, Montana run. It is an excellent example of the terms and conditions under which stage coach passengers rode.

The remunerative shipments from the gold and silver fields stirred Holladay's interest in gold itself as a commodity to buy and sell. Early in 1865, he and W. L. Halsey of Salt Lake City formed a partnership in the exchange and banking business, notably the purchase of gold dust brought in by miners. Gold had about a 10% premium over greenbacks at that time.

One of the advertisements of this firm appeared in the Camp Douglas (Utah) Daily Union Vedette on May 4, 1865 and read as follows:

BEN HOLLADAY  
New York

W. L. HALSEY  
Great Salt Lake City

**Holladay & Halsey**  
Bankers

At the office of the Overland Stage Line, Great Salt Lake City, we will pay the highest rates for gold dust and coin. Dust bought for coin or currency.

Cash paid for government vouchers. Drafts payable in coin or currency sold in New York; San Francisco, California; Virginia City, Idaho; Denver City, Colorado; Atchison, Kansas; Portland, Oregon and Victoria, British Columbia.

Postage currency and revenue stamps for sale.

The postage currency mentioned in the advertisement evidently is in reference to the pre-printed revenue stamped checks, usually considered a philatelic item. There were two general types of these checks, (1) the pre-printed kind and (2) the revenue stamp attached to the check at the time of issuance. Some States, notably Nevada, also issued these early revenue stamps for use on checks.

But 1865 was not all roses for Holladay. Railroad ties were now being laid at an unheard of rate of speed toward the west by former Civil War soldiers, just mustered out of service. Holladay's contracts of 1864 were being attacked in Washington by the railroads for each new large town their tracks reached into for the first time. The possibility of having an obsolete, worthless stage line was beginning to haunt Holladay.

The superiority of the stage coach would have to be proven beyond all doubt, not only to the public at large but to the new rival. Holladay and his attorney, Bela M. Hughes, discussed various possibilities. The plan must be sensational enough to receive much favorable publicity and also to be completely convincing.

There evolved only one plan which seemed to satisfy all these requirements, but a most difficult one to say the least. This was the making of a transcontinental run from San Francisco to Atchison in the absolute minimum of time. How much time could be cut off the seventeen day schedule for this run then in effect?

Once the decision was made, events happened fast. Holladay himself would make the run. Every main and relay station was notified in advance of the record-breaking attempt. Preparations to have the best horses, coaches and personnel held in readiness at all stations was made.

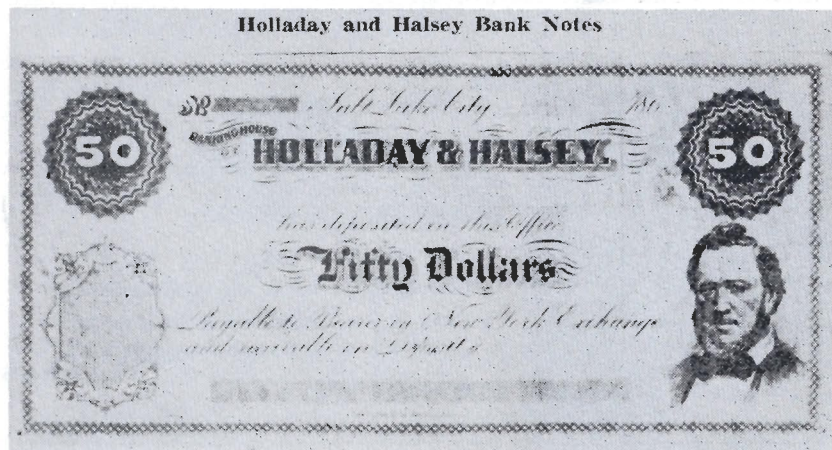
But Holladay was in a hospital with a minor ailment when word came through that everything was ready. Without awaiting his doctor's consent, Holladay left the hospital, took the ferry from San Francisco across the bay to Oakland, climbed into the waiting coach and the transcontinental race against time had begun.

Up the Sacramento Valley the stage hurtled forward from Folsom to Placerville, California. Here the first replacement team took over. According to accounts, Holladay ate only a large sized sandwich while the teams were being changed.

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BEN HOLLADAY... CON'D FROM PAGE 18



The only issue of currency with Holladay's name on it is the \$50.00 Certificate of Deposit note of Holladay & Halsey, Bankers, of Salt Lake City, Utah Territory. Portrait on this note is that of Brigham Young, Mormon leader.

As the coach began to climb the narrow ledges and hairpin turns of the High Sierras the speed was necessarily reduced almost to a walk for much of the way. The stagecoach king chafed bitterly at this unavoidable slow-down, but only an experienced driver could have made even reasonable headway in these treacherous and almost invisible mountain trails. Finally, the land leveled off and the arid stretches of Nevada loomed ahead. New drivers and new teams kept the stage moving now at top speed every minute at the head man's repeated demands.

Around the great Salt Lake and into the important home station stop of Salt Lake City rolled the special coach. Here General P. E. Connor, Commander of the Army post at Camp Douglas was taken on as a passenger as far as Denver.

From Fort Bridger on the stage was definitely in "Indian Country". Holladay never left the driver's side now, remaining on top with a loaded carbine in his lap. At one of the first relay stations beyond the Fort, they came upon the charred ruins of the cabin. The three stock tenders, all scalped, were lying dead among the ruins. The horses had disappeared, evidently stolen by the raiders. The tired team continued on to the next station, only to find almost the same condition there. The two attendants' bodies were filled with arrows. The building was wrecked and again the horses were gone.

The overworked team continued on at a somewhat slower pace. One horse finally fell dead in its tracks. A second died later from a heart seizure. Even the coach suffered from this extra heavy duty. Coming down a steep grade, a wheel fell off and the stage turned over on its side. Fortunately, a spare wheel was carried along.

Limping into Green River, Wyoming Territory, a new Concord was pressed into service, plus a fresh team, of course. But not far out of Green River a terrific storm broke, flooding roads and reducing visibility to zero. There was nothing to do but wait until early the next day when the storm lifted.

Across the Wyoming hills the coach rolled at break-neck speed wherever possible. Through Salt Wells, Sulphur

Springs, Medicine Bow and Big Laramie it sped. A dust storm slowed the pace down to a walk for awhile. Then the path turned down into the important stop of Virginia Dale in Colorado Territory, the place where Jack Slade, the famous outlaw got his start.

Next was the stop at the big home station in Denver. Here reporters were lined up, waiting for a statement from Holladay as to how much ahead of schedule he was. The latter refused to be quoted, preferring the reporters estimate this for themselves. The Rocky Mountain News believed him to be five full days ahead of schedule. A big ham sandwich and a few pickles was Holladay's meal here and not much more over the usual fifteen minutes was spent here, despite the importance of the stop. He had not changed clothes or bathed since the trip began but this evidently was considered of secondary importance where a record breaking attempt was being made.

From Denver to the next home station stop at Julesburg and then downhill onto the plains of Nebraska where break-neck speed was made. But not far into Nebraska a band of Sioux Indians came charging out of the brush ready to attack. Holladay dropped down to the roof of the coach from which position he put his rifle into effective use. Instantly the driver had put the whip to the big, fast team which burst forward at an even greater speed when called upon for every ounce of speed and power to outdistance the numerous but smaller Indian ponies. The speed of these big horses plus a few well placed bullets from Holladay's rifle ended the danger without loss.

This was the last incident of note and the coach fairly streaked across the plains of Nebraska and then Kansas. At no time were the horses spared to add every possible minute to the record breaking performance.

At long last, Atchison, Kansas, the destination point, could be seen.

"Make it look good," Holladay told the driver, "Lay on the whip and come in at a dead run." To the cheers of the waiting crowd, who had been kept informed of his progress, the team of six black horses roared up in front of the Overland Stage Co. station at full speed before being reined to a sudden stop.

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BEN, HOLLADAY...CON'D FROM PAGE 19

The Overland Coach Office in Denver, Colorado, as depicted in HARPER'S WEEKLY of January, 1886.

Kansas State Historical Society



The Overland Stage Line Office in Denver is shown at the left, above the Cook & Co., Bankers location, as pictured in HARPER'S WEEKLY in January, 1886.

Holladay fired his rifle in the air, jumped to the ground and opened up his large expensive gold watch. Studying it for a moment, he almost shouted, "Twelve days and two hours!" This was five days faster than any other stage had gone the distance before.

A great practical and dramatic victory had been won. Stage coaches could make good time and the Overland Stage Co. in particular could make the best time of them all! Let the railroads and rival stage lines took to their laurels. The feat was the conversational topic from coast to coast. Holladay recognized the great value of the publicity as his fame plummeted both in this country and abroad. Mayors vied to present him with the key to their city. In New York City there was a parade down Fifth Avenue, as the king of the stage coaches nonchalantly tossed gold coins about to the cheering crowd.

Despite all the excitement, Holladay kept a wary, anxious eye on the numerous express companies that were making inroads into the mining regions of the far west. He could not hope to cover every mine operation in every State and this inability gave rise to numerous small competitors. These small firms were, in turn, often bought up or consolidated with others, and soon a network of connecting routes was established. Chief among these was Wells, Fargo & Co., which had begun in a small way in California not long after the gold rush of 1849. Competition like this in the express field and from the railroads in the passenger and mail field was giving Holladay uneasy moments.

A third and more immediate rival was the Butterfield Overland Dispatch, commonly known as the B. O. D.,

which was organized early in 1865 and operated in much of the same territory that the Overland Stage Co. was serving.

But Holladay was able to cope with this situation. His agents had learned almost to the penny how much the Butterfield line was losing each month, as well as how much in loans it had received from Wells, Fargo & Co., the American Express Co. and the United States Express Co. It was an open secret that these firms were keeping the Butterfield line up financially, very likely to embarrass or even ruin the Overland Stage Co.

Armed with this data, Holladay arranged luncheon with Edward P. Bray, the main stockholder of the Butterfield line, in a quiet corner of the famous Delmonico's Restaurant in New York City in 1865. To Bray's amazement and consternation, Holladay revealed his intimate knowledge of the line's financial condition.

Confronted with these facts, together with Holladay's generous offer to pay off all the Butterfield line debts and return the original investment in cash, Bray could do no other than agree to what otherwise would have been a financial fiasco. Shortly afterward the B. O. D. ceased operations and the line that was being used as a lever against Holladay became a lever for him.

In April, 1866, the Overland Stage Line became The Holladay Overland Mail & Express Co. with this consolidation, which also included new charters to operate in Colorado. Actually, very little was changed in the overall operation, over and above the change of names on coaches, stations, checks, forms, etc.

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BEN HOLLADAY... CON'D FROM PAGE 20



A Way Bill from Wells, Fargo & Co. to The Holladay Overland Mail & Express Co. at Salt Lake City in 1866.

### The Overland Co. Rates and Contracts.

Passenger rates charged varied with the extent of Indian depredations in a particular area. The usual charge varied from 12½¢ to 15¢ per mile. The following chart gives a good index of the rates charged:

#### RATES FROM ATCHISON, KANS.

	1862	1863	1864	1865	1866
To Denver	\$ 75.	\$ 75.	\$125.	\$175.	\$175.-\$125.
To Salt Lake City	150.	150.	250.*	350.	250.- 225.
To Placerville, Cal.	225.	225.	200.	450.-500.	

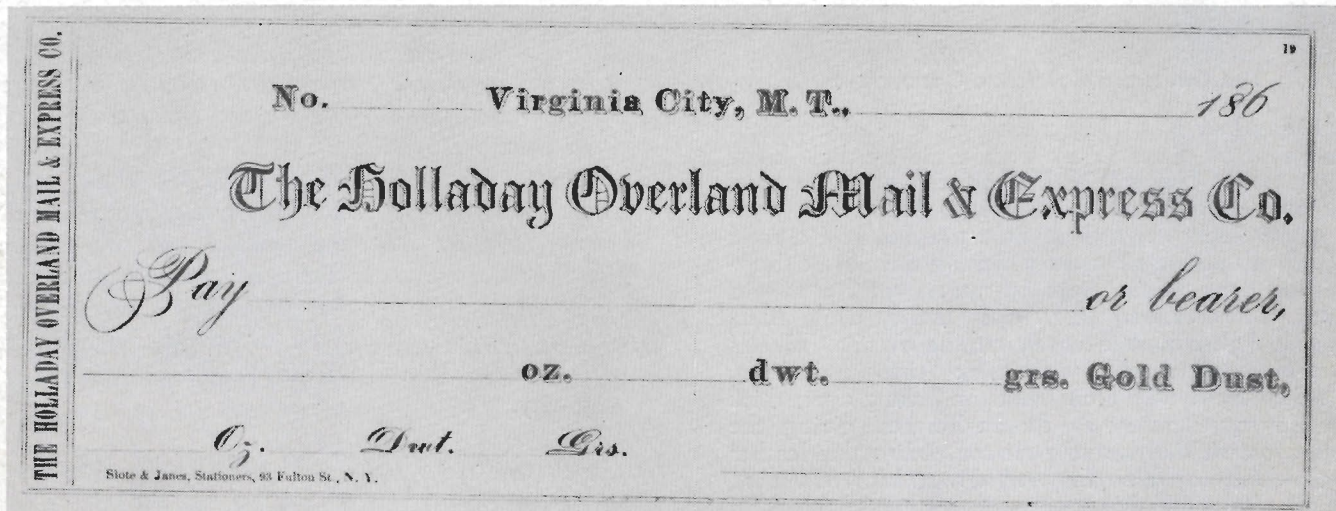
\*In operation only part of a year.

It was not unusual for the Atchison office alone to take in \$2000. from passenger fare in a single day. Although passengers were allowed twenty five pounds of baggage free with their fare, an additional charge of \$1.00 a pound was made for all weight over that amount.

Actually, rates were raised or lowered to whatever the traffic would bear. The best example of this occurred when the Overland Stage Co. the California Stage Co. and the

A. J. Oliver & Co. began to provide service between Virginia City and Helena. A terrific price cutting war resulted. The latter two companies were too small, however, to continue this war very long, and were obliged to discontinue business. Shortly afterward, the Overland Stage Co. raised its very low fares to higher than they were before the price cutting began, \$25.00 in gold dust, or \$37.50 in green backs, which had the nickname of "Lincoln skins". A receipt of this California Stage Co., which became the Oregon Stage Co., operated by Al Guitwitz and Ben Stafford, is illustrated herewith.

Great competition also developed in the letting of mail service for a stipulated period and route. Perhaps the largest and most contested of these was the mail contract to Folsom, California, when the stage line was extended there for the first time. Holladay's bid of \$820,000. was lower than the Overland Mail Co. bid of \$880,000. for a four year period. But a second company, also organized for the sole purpose of obtaining mail contracts, was represented by John A. Heistand and had a low bid of \$750,-



A rare draft used as currency when completed, by miners who bring their gold dust into the Holladay office for a more convenient medium of exchange.

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BEN HOLLADAY... CON'D FROM PAGE 21

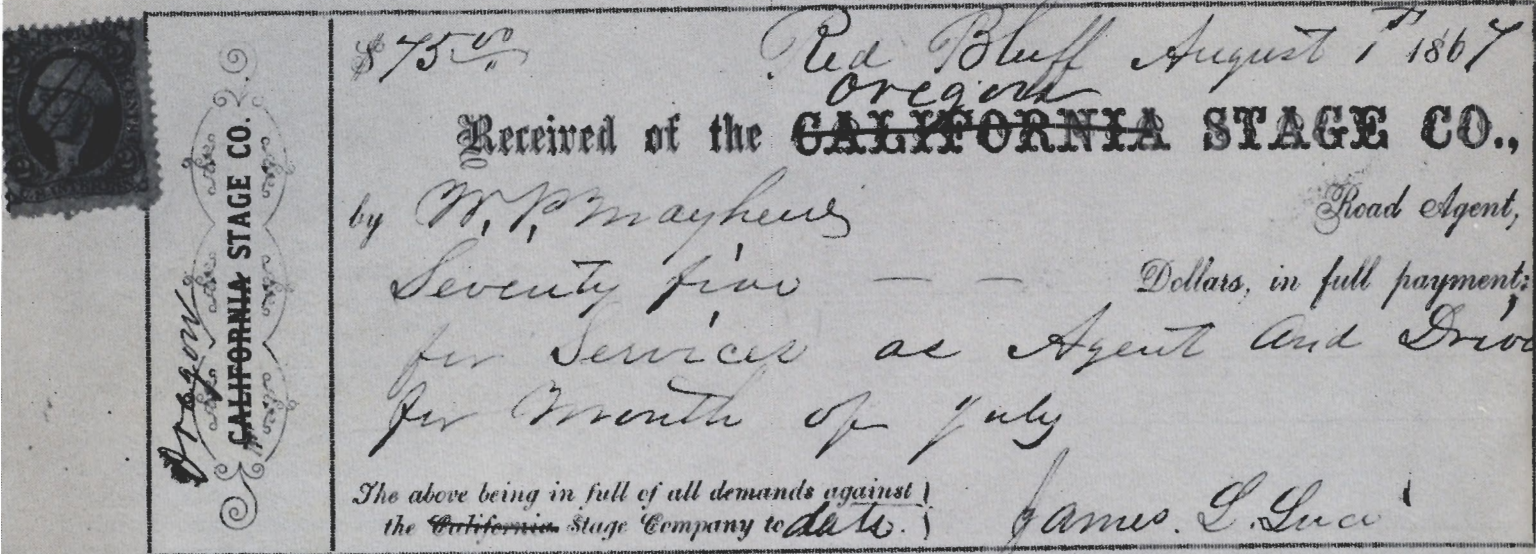
000. Having won the contract, Heistand made desperate last minute attempts to obtain equipment, livestock, etc. Telegrams flew back and forth between Washington, D. C., Heistand and Holladay, each seeking status and clarification. Holladay knew Heistand couldn't make good on the contract and tried to make Washington recognize this fact. Heistand finally had to forfeit his bid, which then went to the Overland Stage Co., the next low bidder.

During its lifetime, this company received about \$2,000, 000 in mail contracts. It is estimated that this amount almost covered all operating costs, while the passenger, express and freighting business produced the profit over and above expenses.

Receipts from express charges alone often were from \$150,000. to \$200,000. a month. But how it was often done is perhaps best described by C. Aubrey Angelo in his

"Sketches of Travel in Oregon and Idaho," written in 1866. He wrote, "—the stages driven by experienced and civil men, and the horseflesh, first rate. I, however, do decidedly enter my protest against the practice of incommoding the passengers by loading the stages inside, as well as out, with "fast freight", "express matter" and forage for other stations. This is a common practice and ought to be discontinued. In our case, we were uncomfortably crowded together to make room for twenty bushels of oats. Passengers who pay sixty dollars for a three day ride from Walla Walla to Boise City, expect "stage rights" to be observed."

Usually, the box express packages and other valuables were placed beneath the driver's seat, while the passenger baggage was carried in the rear compartment, along with the mail sacks. An overflow of any type of item carried meant its being thrown on the floor of the interior of the coach, free to slide about at the feet of the riders.



One of the competitor companies Holladay forced out of business in a price cutting war was the California Stage Co. Its assets were bought by the Oregon Stage Co., as this receipt for services rendered will clearly indicate.

### The Overland Co. Stage Coaches

Holladay had about 110 coaches in regular service or in reserve at all times. They were made by the Abbot-Downing Co. of Concord, N. H., and were about the most rugged ones available at the \$1000. to \$1500. per coach price range. Each weighed about a ton and had a sand box attached underneath from which sand could be dropped on the long brake sticks in case a quick stop was necessary. Interiors had large glass lamps, while there was a side light on each coach on the outside. Wheels were of solid white oak, with thick "tires" nailed on. They were braced with iron bands and slung upon thick leather springs, known as thoroughbraces, giving the coach a constant side swaying motion. Adjustable leather curtains which could be fastened down, kept out most, if not all, the wind, dust, rain or snow. Although early coaches could accommodate only nine passengers on the average, later many were built to hold seventeen people.

If passenger loads were light, especially in the short mining region runs, a "mud-wagon" replaced the Concord coach after a few miles, much to the disapproval of the passengers. The mud wagon was a low slung, compact affair. It was also slung on leather springs, but was without much protection from the weather and much cheaper than the Concord coach. The sides were of cloth or canvas entirely, giving them the appearance of a covered wagon. But they were very adaptable to narrow, rough mountain trails, being difficult to overturn because of their low center of gravity.

Another type of coach used was a double deck omnibus, such as those used between Denver and the mining region of Missouri City, Colorado Territory. These were suitable only for short, heavily traveled daylight trips.

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BEN HOLLADAY... CON'D FROM PAGE 22



Type of stage coach used in the 1860's by the Holladay and other express lines.

### The Overland Co. Employees

The main cog in the stage coach operation was the driver. He had to be a man of many skills. Besides being an expert with the reins, he had to be a crack shot, an able repairman in case of breakdown and of strong physical endurance to withstand the outdoor rigors of his post, regardless of the type of weather. One of his other chores was to grease the coach wheels at every home station. If this job, which was called "doping" the wheels, was forgotten, a hot box invariably resulted.

Although the time and length of period of duty varied with the total length of the run, an average period of duty ran for six days and nights on the road, in between nine day rest periods in a given three week period. His pay averaged from \$75. to \$100. per month, plus board. And

he was one of the few who had sleeping quarters always available at every home station.

William Cody, better known as "Buffalo Bill", drove for Holladay on the Fort Kearney to Plum Creek, Nebraska Territory run for awhile, and also on a line in Dakota Territory for a short time.

Always riding next to the driver was an employee known as a messenger. In addition to being an assistant driver and expert rifleman, he acted as conductor to the passengers, taking care of handling their luggage and making any fare arrangements necessary. Most of the time he rode with a loaded shotgun across his lap, ready for action, and serving as a constant armed lookout, front, sides and rear. His period of duty corresponded to that of the driver but his pay averaged only \$61.50 per month, plus board.

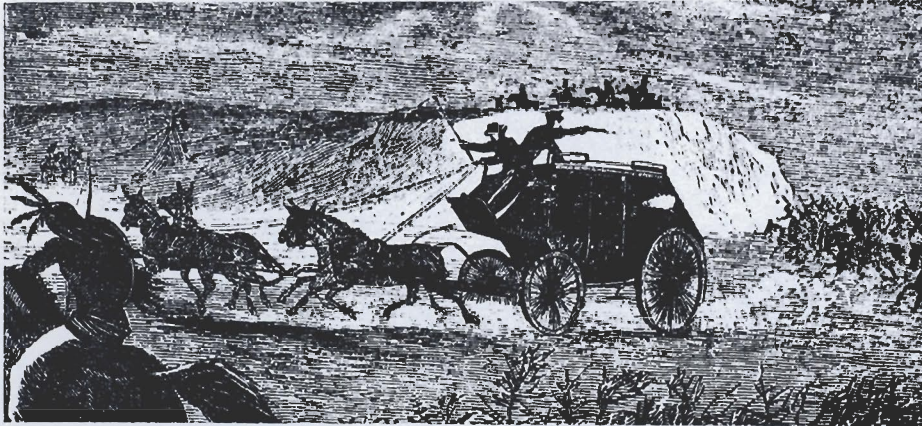
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BEN HOLLADAY... CON'D FROM PAGE 23

Unsung heroes of the operation were the stock tenders, or relay station attendants, who kept their lonely vigil in the wilderness. Their job was to keep the horses or mules in top condition, provide for their feedings, and be ready to make the rapid change of teams when the stage arrived. In addition to the constant loneliness, these men were always subject to Indian attacks, and this not infrequently

happened. Their station usually consisted of a two room log cabin, although in the Snake River Valley run in Idaho all of Holladay's stations were made of natural lava rock. Monthly pay for this service varied from \$40. to \$50. In mining areas, quite often a man and wife performed this service on a part time basis.



Kansas State Historical Society

Early stage coach trips were often perilous. T. R. Davis depicted this ride in an 1887 HARPER'S MONTHLY.

Artist's version of an early stage coach attempting to outrun pursuing Indians, possibly inspired by Holladay's similar escapade during his record breaking run from California to Kansas, as shown in HARPER'S MONTHLY in 1887.

Despite the consolidation with the Butterfield line, no one could see the handwriting on the wall as to the future of the stage coach better than Ben Holladay himself. The railroads were far across the western plains and plans were being made to join the rails from the east and west in Utah Territory. The big mail contract, due to expire in 1868, was certain to go to the railroads for the first time. The western express companies to the mines were too numerous to fight, and even their domain was in jeopardy from the railroads sooner or later.

Holladay let it be known that he might sell out, but when an offer was made he ignored it, probably in hopes of a better offer. The figure was raised until finally Holladay capitulated and announced he would accept the \$1,500,000. cash offer of Wells, Fargo & Co., plus \$300,000. in their stock and a directorship as well. The sale was consummated late in 1866.

Being still a comparatively young man, Holladay turned his interests to a silver mine in Nevada. His "Ophir" mine produced a small fortune in silver, and around his magnificent estate at White Plains, N. Y., the "Ophir Place," he was known as the "silver king." Besides this mansion and the 16-room house in Weston, Missouri, he also had a home in Washington, D. C. and a brownstone mansion in New York City.

But Ophir Place was sold at public auction after his first wife died there. They had two children, Pauline and Jennie.

His second marriage occurred after his "retirement" to the Pacific Coast. Two children were also born of this marriage—Ben C. and Linda.

He took a venture in the steamship business on the west coast for awhile. On one occasion, he and a party including General U. S. Grant, cruised about on one of his steamers in the Pacific, engaging in a poker game that lasted four days and four nights.

But Holladay's biggest venture after leaving the stage coaches, was also his most disastrous. After selling his stock in Wells, Fargo & Co. and relinquishing his directorship in that company, he invested his time and money in the building of the first railroad from Portland, Oregon to California.

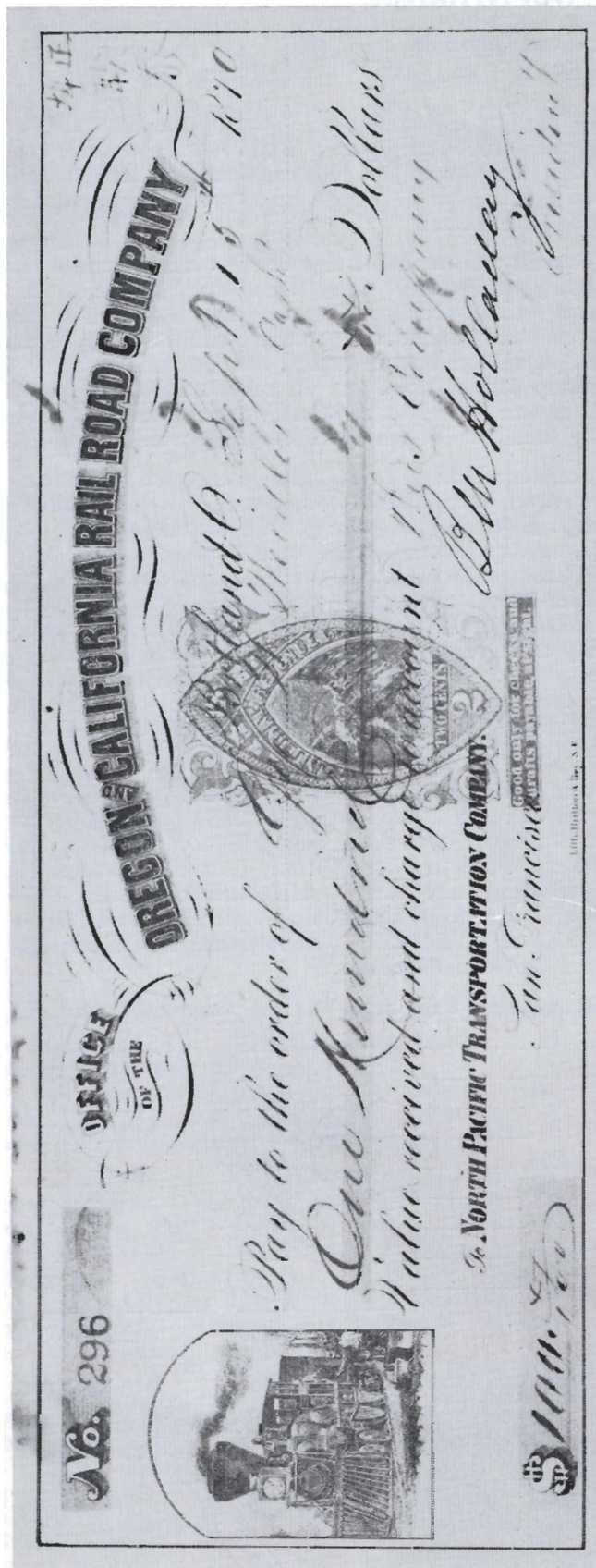
After pouring almost a million dollars in purchasing right of way and laying tracks, a panic of '73 hit without warning. Holladay could only default when the bonds he had sold for financing were presented for payment, because of an unusual circumstance. He had placed most of his property in the name of his brother, but when he wanted it back the brother refused, and won a court suit to keep it. His last days were spent in comparative poverty. The same quality that had brought him wealth also brought him poverty—the refusal to be satisfied with that which he had. His death in 1887 brought little notice.

And yet, few men have lived more fully, more dangerously or more profitably than the king of the stage coaches—Ben Holladay.

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BEN HOLLADAY... CON'D FROM PAGE 24



Check on The Oregon and California Rail Road Company of 1870 from Portland, Oregon, bearing signature of Ben Holladay, president.

## The Trading Post

At the annual meeting of the Society of Paper Money Collectors in Denver, many suggestions were made wherein the collectors could be best served.

One was to establish a Trading Post section in our Magazine, at a small cost to the collector, so more interest in trading currency could be activated. This would cover all fields of paper money and a meeting will be held soon with the editor to see if something cannot be worked out along this line. Our Magazine now has a good circulation and many collectors should be interested in taking a small ad on what they are looking for—sale or trade. You do not have to be a dealer to do this.

A good many collectors at the meeting wanted to know how they could secure the various Federal Reserve Notes, both present and future. An effort has been made with the Treasury Department to make them available in Washington, like mint sets, but nothing definite has been decided. In order to get this phase started, I am willing to act as a coordinator for current U.S. small notes and all those that are interested please send me your list of wants and the Federal Reserve Notes you can furnish from your district. The one dollar notes will be out soon and collectors from every Federal Reserve District should be known as it will assist all collectors.

We hope to work out something similar on Broken Bank Notes, Foreign Notes, State Notes and etc. in the near future.

I would appreciate hearing from those interested and those with suggestions. Mail to Thos. C. Bain, 3717 Marquette Drive, Dallas 25, Texas 75225.



## Retirement Of Silver Certificates

By Arthur A. Smith, Vice President and Economist,  
First National Bank in Dallas

When silver certificates are retired, a monetary era will have come to an end in this country. Already the process of retirements is under way. It began with an official order to replace \$5 and \$10 silver certificates with Federal Reserve notes and continued into the final official step when on June 4, 1963, the Congress enacted Public Law 88-36, repealing the silver purchase acts and the related transfer tax on silver bullion, as well as authorizing the issuance of \$1 and \$2 Federal Reserve notes.

A monetary era will have come to an end because we will no longer have any circulating paper currency with a specific metallic redemption. Our paper money will consist of (1) Federal Reserve notes which on their obverse say in fine (very fine) print "This note is legal tender for all debts public and private and is redeemable in lawful money at the United States Treasury or at any Federal Reserve Bank" and (2) a relatively small amount of United States Notes (a carry-over from the Civil War period) which simply are promises of the United States to pay dollars. If you try to redeem a Federal Reserve Note in "lawful money" or a United States note in dollars, you may get other money just like it. There is no assurance that you will get 371.25 grains of pure silver for each dollar or any silver at all. You can be sure that you will get no gold.

Demise of silver certificates will not be sudden. We will see them around for a while. The Treasury has indicated that they will be retired gradually, perhaps over a period of as long as ten years. But circumstances might bring about their retirement much sooner. One very important development conceivably could hasten the process; namely, a rise in the market price of silver resulting from continued demand for the metal exceeding new production.

Careful reading of Section 2 of the Act of June 4, 1963, will indicate how the process of retirement could be hastened.

"The Secretary of the Treasury shall maintain the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates. Unless the market price of silver exceeds its monetary value, the Secretary of the Treasury shall not dispose of any silver held or owned by the United States in excess of that required to be held in reserves against outstanding silver certificates, but any such excess silver may be sold to other departments and agencies of the Government or used for the coinage of standard silver dollars and subsidiary silver coins. Silver certificates shall be exchangeable on demand at the Treasury of the United States for silver dollars, or at the option of the Secretary of the Treasury, at such places as he may designate, for silver bullion of a monetary value equal to the face amount of the certificates."

The law seems quite clear that (1) the Secretary of the Treasury cannot sell silver at less than \$1.2929 per ounce (incidentally, the legal monetary or mint value of silver

since the first coinage act of 1792), but he can sell it at any price above that figure and (2) holders of silver certificates can demand and get silver dollars or silver bullion at an exchange of 371.25 grains of pure silver per dollar of silver certificates.

Recently an industrial user of silver did present to the Treasury via Federal Reserve Bank channels a request for a large amount of silver and got it under the law. Now he did not first obtain a sum of silver certificates and present them physically, but he could have. The only thing the Treasury insisted upon was the submission of an equivalent amount of silver certificates for retirement, a step easily handled through the Federal Reserve.

Secretary Dillon has said that one reason for eliminating silver certificates was to assure the Government of enough silver for the coinage of subsidiary coins. This poses no very serious problem because substitution of Federal Reserve notes for the \$5 and \$10 silver certificates plus any retirement of \$1 silver certificates the Treasury cares to make at any time on its own account would easily afford plenty of silver for subsidiary coinage. Then, let's face it, since all our money is going to be irredeemable anyway, why continue to mint coins 90% of whose weight is pure silver? Why not 50%? Or 25? Or why any silver at all? Who's kidding whom?

Some indication of the extent to which silver certificates have been reduced already may be had from the Circulation Statement of United States Money issued by the Treasury. On September 30, 1963, silver certificates of all denominations in circulation amounted to \$1,815,534,490 compared with \$1,942,956,663 on September 30, 1962, or a reduction of \$172,422,173. The following table shows distribution by denominations:

Denomination	September 30, 1963	September 30, 1962
\$ 1 .....	\$1,569,534,443	\$1,512,359,546
2 .....	1,404,772	1,405,262
5 .....	203,983,570	382,612,645
10 .....	40,143,565	46,050,990
20 .....	323,190	323,220
50 .....	78,950	79,000
100 .....	50,000	50,000
500 .....	7,000	7,000
1,000 .....	9,000	9,000
	<hr/> \$1,815,534,490	<hr/> \$1,942,956,663

Collectors will readily observe in the above figures some denominations long since unseen in circulation (2, 20, 50, 100, 500, 1,000). The Treasury reports that about \$15 million worth of silver certificates outstanding were issued prior to July, 1929, when the small size notes were first printed—really not such a large quantity considering the number that may be destroyed, or lost, or in the hands of collectors.

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## RETIREMENT OF SILVER CERTIFICATES CON'D FROM PAGE 26

Space does not permit a lengthy account of the history of silver certificates—how they came to be in the first place—but a brief summary might suffice here.

Their origin is traceable to a set of circumstances affecting the market price of silver, chief of which were (1) demonetization of silver in Europe in the early 1870's and (2) the discovery of big, rich silver mines in Nevada (the Comstock Lode, the Belcher Bonanza, the Chollar-Potosi, and the Hale and Norcross Bonanza), the production from which began to dump very large quantities of silver on the market in the 1870's. When silver producers sought to have their silver coined at the U.S. Mint, they found that the Coinage Act of 1873 had dropped the free coinage of the standard silver dollar (the famous Crime of '73) and the Act of 1853 had provided for the coinage of subsidiary silver coins on government account only and at about 7% reduction in pure silver content.

So, for the first time since our coinage system was set up in 1792, there was no free coinage of silver. Obviously this did not set well with silver producers, and little wonder they called the Act of 1873 a crime because it shut off one source of demand for silver and at the same time removed a legal price floor. De facto the Act of 1873 put an end to the bimetallic standard provided by our first coinage act, but which had not operated very well most of the time anyway.

Legally the United States abandoned bimetalism in 1900 when gold was adopted as the single standard, bringing to an end one of the most colorful political periods in our history. Roughly the period dates from the close of the Civil War to the turn of the century, but climaxed in the Presidential Election of 1896—the celebrated “free-silver” campaign.

The “free-silver” demands were part of the broader cheap-money movement which first found expression in the “Greenback movement” that sought to prevent the resumption of specie payments and to increase the amount of fiat paper money in circulation. With the sharp decline in the market price of silver the world over, the cheap-money advocates found a new and powerful group of allies in the silver interests, and the issue shifted from more paper money to more silver money which would accomplish the same end, namely, cheap money.

The contest over cheap v. sound money, as it was often referred to, especially by the opponents of cheap money, was a bitter fight, indeed—one which cut across party lines to a considerable extent and tended to become sectional with the agricultural mid-west and south, hungry for higher prices for their produce, being strong for cheap money and the financial and industrial northeast the center of powerful opposition.

Agitation to restore the free coinage privilege to silver grew rapidly in the years immediately after 1873. Several bills to that end were defeated either in Congress or by Presidential veto. Then came the Bland-Allison bill, a compromise enacted in 1878, which did not provide for the restoration of the free coinage of silver, as Congressman Bland proposed in his bill, but for the coinage on government account of not less than 2 million or more than

4 million standard silver dollars monthly, and leaving them full legal tender. The bill was passed over President Hayes' veto by a wide majority.

For purposes here it is important to note that the Act of 1878 provided that these silver dollars might be deposited with the Treasury and silver certificates in denominations from \$10 to \$1,000 be issued for them. These were the first silver certificates and had on their obverse the words “Certificates of Deposit.” These were not endowed with full legal tender power, but were made receivable for all public dues.

Except in the West, silver dollars have never been accepted willingly by the general public as a circulating medium, principally because of weight. So silver dollars coined under the Bland-Allison Act just piled up in the Treasury, and the certificates (Series of 1878 and Series of 1880—Fr. 73, 76, 79, 81, 83, 84) were in too large denominations to have much circulation. As a result, Secretary of the Treasury Manning in an effort to force silver currency into trade forbade any further issuance of United States notes (Greenbacks) in denominations less than \$5, then asked and received from Congress legislation (Act of June 30, 1886) which called for the issuance of silver certificates in denominations of \$1, \$2, and \$5. (These are Fr. 59, 64, and 68—all Series of 1886.)

The original intention behind the silver certificates was to make them representative of actual silver dollars lodged with the Treasury. All of the eight series of large size certificates and the small size before Series 1934 stated on their obverse that the certificates were payable in a specified number of silver dollars, meaning that they were redeemable in coin, not bullion. As a consequence, no more silver certificates were issued than silver dollars held by the Treasury. But beginning with Series 1934 (Fr. 188-c) the wording was changed and stated: “This certifies that there has been deposited in the Treasury of the United States one dollar in silver payable to the bearer on demand,” as in the case of the \$1 denomination, and correspondingly for the other denominations. The effect of this change was to allow the issuance of silver certificates without the necessity of coining silver dollars, which accounts for the fact that after 1934 there were so many more units of silver certificates in circulation than actual number of silver dollars in existence. Bullion now serves as backing.

Although there is much more to the history of silver certificates, suffice it to say that we have had them since 1878 and the \$1 silver certificate can claim the role of the great work-horse of our currency. Some of the large-size series were the most beautiful paper currency ever issued.

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